



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

November 7, 2007

### **H.R. 3526**

#### **A bill to include all banking agencies within the existing regulatory authority under the Federal Trade Commission Act with respect to depository institutions, and for other purposes**

*As ordered reported by the House Committee on Energy and Commerce  
on October 30, 2007*

H.R. 3526 would increase the number of federal agencies authorized to issue regulations regarding unfair and deceptive financial practices under the Federal Trade Commission Act. Enacting this bill would allow the Federal Deposit Insurance Corporation (FDIC) and the Office of the Comptroller of the Currency (OCC) to issue such rules for institutions under their jurisdiction. Under current law, such rules may only be issued by the Board of Governors of the Federal Reserve, the National Credit Union Administration, and the Federal Home Loan Bank Board. The bill also would require that such regulations be developed in consultation with the Federal Trade Commission (FTC).

CBO estimates that implementing H.R. 3526 would have no significant net impact on federal spending. Based on information from the affected agencies, CBO estimates that the activities required by the bill would increase discretionary costs for the FTC by less than \$500,000 a year. Additional costs incurred by the OCC and FDIC would affect direct spending, but such expenditures would be offset by income from annual fees and deposit insurance premiums, respectively. Thus, CBO estimates that enacting this bill would have a negligible net effect on direct spending and would have no effect on revenues.

H.R. 3526 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not directly affect the budgets of state, local, or tribal governments.

On October 3, 2007, CBO transmitted a cost estimate for H.R. 3526 as ordered reported by the House Committee on Financial Services. That version of the legislation did not require consultation with the FTC in developing these regulations; neither version of the bill would have any significant budgetary impact.

The CBO staff contact for this estimate is Kathleen Gramp. This estimate was approved by Peter H. Fontaine, Assistant Director for Budget Analysis.